

February 26, 2009

FAQs addressing Capital Purchase Program (CPP) changes under the American Recovery and Reinvestment Act of 2009

**Can my bank redeem its CPP investment under terms other than those specified in the original transaction documents?**

Yes. This answer applies to all CPP participants, irrespective of funding dates but this does not apply to participants in the Capital Assistance Program, announced on February 25, 2009.

**If my bank determines that it would like to redeem its CPP investment, what is the process?**

Please notify your primary regulator of your desire to redeem. Also, please notify Treasury at [CPPRedemption@do.treas.gov](mailto:CPPRedemption@do.treas.gov). After receiving your notice, Treasury and your primary regulator will consult about the request. When all consultations have been completed, we will contact you to discuss the redemption request. Details of the redemption and completion of all necessary documentation will be handled by your original UST counsel.

**What does the consultation with my primary regulator involve?**

Treasury is working with the four federal banking agencies to determine what factors are involved in the consultation.

**Can my bank redeem part of its CPP investment at this time?**

CPP participants wishing to repay part of its CPP investment must pay a minimum of 25% of the issue price of the preferred.

**Where should my bank send the money?**

It is important that you go through the process noted above to get detailed transfer instructions to make sure that all payments are attributed correctly.

**Can my bank purchase the warrants at the time we redeem Treasury's investment?**

Yes. This right is given under Section 4.9 of the Securities Purchase Agreement, which permits the issuer to repurchase the warrants at "fair market value" as defined in the agreement, which details the procedure for determining this value. Treasury will work with you to facilitate the repurchase process. Your warrants cannot be sold to an investor until you have had an opportunity to repurchase them.

**If my bank does not purchase the warrants at this time, what happens to them?**

If your bank does not choose to exercise its option to repurchase the warrants, Treasury will attempt to liquidate registered warrants as soon as possible.

**My bank participated in CPP under the private company transaction documents, and the warrants we issued to Treasury were exercised immediately upon closing. Can we redeem the warrant preferred shares at the same time we redeem the original preferred investment?**

Yes.

**When my bank repays Treasury's investment, are we responsible for unpaid dividends?**

Yes. In the case of the cumulative senior preferred, you must pay any accrued and unpaid dividends. In the case of the non-cumulative senior preferred, you must pay accrued and unpaid dividends for the current dividend period, regardless of whether any dividends are actually declared for that period.